IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION

CENTRAL EXCISE APPEAL NO.147 OF 2006

Commissioner of Central Excise Mumbai-I .. Appellant
V/s
M/s.Standard Industries Ltd. .. Respondents

Mr.Y.S.Bhate with M.R.Prajapati & S.D.Bhosale for the Appellant.

Mr.Prakash Shah with Mr.Jitu Motwani i/by M/s.PDS Legal for the Respondents.

CORAM : DR.S.RADHAKRISHNAN &
V.C.DAGA, JJ.

DATE : 5th April, 2007.

P.C.:

1. Heard the learned Counsel for the parties. In this Appeal, the following substantial questions of law are sought to be raised:-

(a) Whether on the basis of the decisions of the Hon'ble Supreme Court in the case of M/s.Sony India Limited, M/s.Dabur (India) Limited and by the Hon'ble Allahabad High Court, the Hon'ble CESTAT has the powers to reduce mandatory penalty under Rule 57U(6) of the Central Excise Rule, 1944.

(b) Whether the CESTAT in the instant case has not exceeded its jurisdiction in reducing the mandatory penalty to Rs.25,000/- under Rule 57U(6).

2. The learned Counsel for the Respondents has pointed

out Rule 57U(6) of the Central Excise Rules, 1944, which was introduced with effect from 23rd July, 1996. The learned Counsel for the Respondents states that in the instant case, the penalty is Rs.60,874/-. The learned Counsel for the Respondents also brought to our notice the judgment of the Hon'ble Supreme Court in the case of **Commissioner of Central Excise V/s.Dabur (India) Limited - 2005 (182) ELT 289 (SC),** wherein also the Supreme Court did not interfere as the amount was meagre.

3. In view of the above, we are not inclined to entertain the above Appeal. Appeal stands disposed of. However, the issue raised in this Appeal is kept open to be considered in an appropriate case.

(V.C.DAGA, J.) **(DR.S.RADHAKRISHNAN,J.)**